

Council Papers

a Cooperative Community Council publication

Cycle 7 No 1, July, 1996

Network news

Cooperative Focus

Graphic Art

- Minute articles of the 6th annual council - Cooperation news -

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- Pivots, margins, edges : Graphic
by Anthony Esposito -

Victorian draft bill a benchmark

New law sets scene for change to Qld Co-op Acts

A draft of a Victorian Cooperatives Bill, which is likely to be 'template' legislation for a new Queensland Act, as been received by the council.

The council received a copy of the draft from the Cooperative Federation of Queensland.

CFQ representatives have met with Mr Denver Beanland, Minister for Justice, who is responsible for the Queensland cooperatives legislation.

Preliminary indications for new Queensland legislation are positive.

The CFQ have informed the Minister that they believe there exists bi-partisan support for a new Act.

They have voiced their support for the Victorian model.

Mr Beanland is reported to have said that the CFQ would be consulted on the shape of new Queensland legislation. He has also reportedly given an administrative approval for legislation to be drafted.

Early assessments are that the new Act could be introduced this year, but most likely early next year.

The CFQ have now formed a legislation committee. Anthony Esposito has been appointed on to the committee to advocate for the interests of community-based co-ops registered under the 1967 Act.

He has accepted the position and will seek to have his involvement ratified as a formal

representation role for the CCC.

The council was invited to submit a quick response to the Victorian Bill on any issues likely to effect the interests of community-based 'trading' and 'non-trading' cooperatives.

The timing for the response was seen as crucial as the timetable laid down for the Victorian Bill could see it introduced into the Parliament as early as September. The Queensland Government is likely to pick up on the Victorian legislation.

The CCC legislation working group has made a preliminary response. This is yet to be endorsed by the full Council.

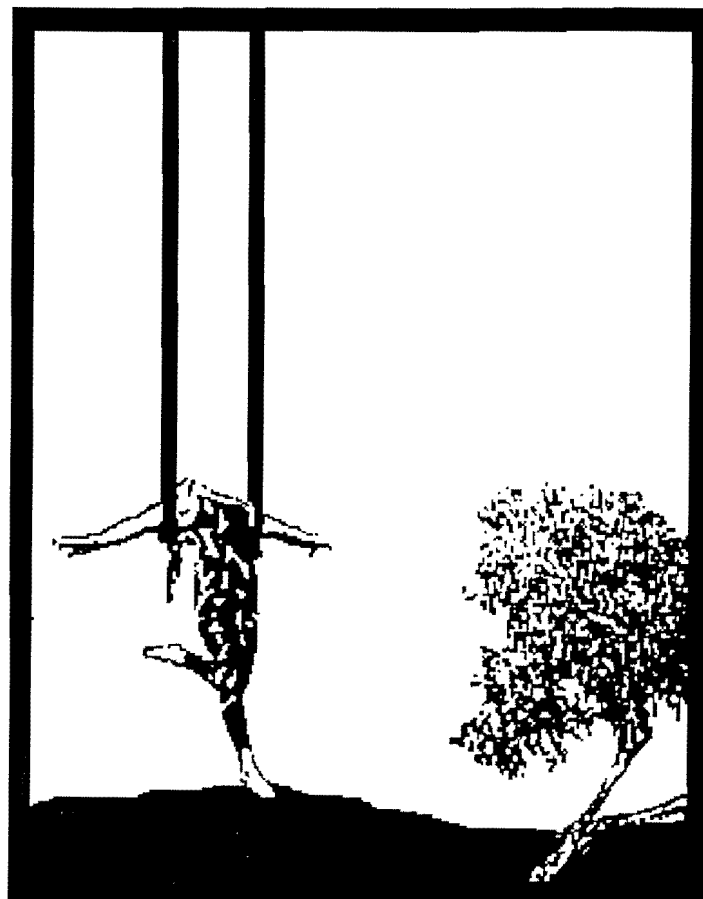
The current active members of the working group are Jill Jordan, Anthony Esposito and Peter Pamment. Merv Partridge is also a member but has been unable to be involved at this time.

The draft Act has been welcomed by the legislation group in the context of moves towards consistent cooperatives legislation across Australia. The group is broadly supportive of the direction being taken.

It has particularly welcomed the stated objects of the Bill, the generally clear drafting, the Bill's contemporary relevance, and its comprehensiveness.

In looking at the draft legislation the working group made assessments based on a number of criteria.

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Six years of regional cooperative organisation

The CCC has held its 6th annual meeting. The council has established itself as a feature of the regional community cooperative scene since its formation in 1990.

The annual meeting represented the fulfilment of a formation objective: to create a working organisation that could coordinate and facilitate a specifically regional focus for cooperative interests.

The council now has a well established cooperative development agenda and a degree of legitimacy among community co-ops to build upon.

The council remains a unique organisation in terms of its organising principles and exclu-

sively cooperative focus.

This is a reflection of the fact that the south-east Queensland region represents a significant centre of new-wave, community-based cooperative activity within Australia.

The annual meeting was held at the Union Cooperative. This venue was chosen because it provided an historical link to an earlier generation of co-operators in the region.

The guest speaker was Mr George Georges, well known ALP luminary, who gave a somewhat younger audience the benefit of his long cooperative experience.

Annual report/minute items - pages 3,4

Union Co-op profile - page 5



Minutes of the 6th CCC annual meeting

held 1 June, 1996

at the Union Cooperative,
Paddington, Brisbane

Attendance: Christine Zangari, Rosanne Brown, Jill Jordan, Anthony Esposito, Paul Monsour, Kerry Petherbridge, Dennis Fountain, Yolie Entsch.

Apologies: Peter Pamment, Darren Gyde, Merv Partridge, Ann Jupp, Jan Tilden, Aida Villatoro, Jeff Walz.

Facilitator: Anthony Esposito

Minutes: Paul Monsour

Agenda

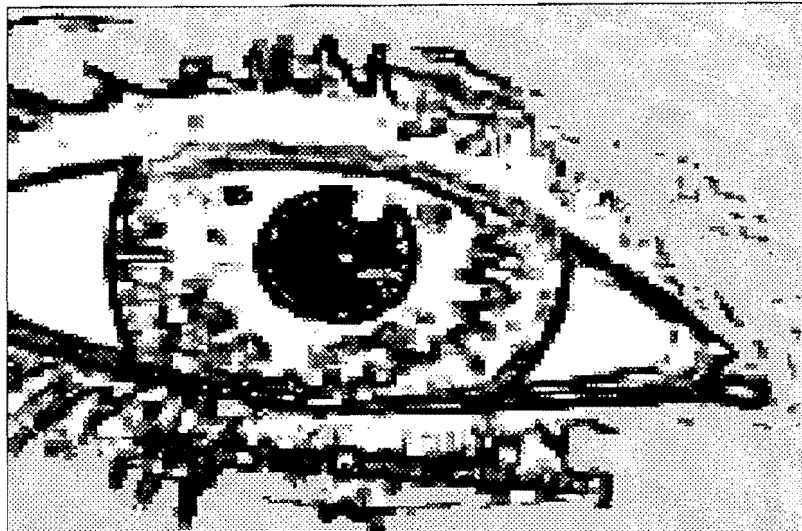
1. Minutes of the 5th annual meeting
2. Secretary's report
3. Rule changes
4. Election of secretary
5. 96/97 active membership criteria
6. New directions / issues
7. Other business / info / Q & A's

Acceptance of Minutes of the 5th annual CCC meeting

Acceptance of the minutes of the 5th annual meeting was moved by Christine Zangari, seconded by Anthony Esposito, and carried.

Council Papers

The Council Papers are edited and published bi-monthly by the Secretariat of the Cooperative Community Council. The Council Papers are open to submission of art work and articles from members and associates. Views expressed in the Council Papers are not necessarily the views or policies of the Council. The Council reserves the right to select content. Contact the Secretary on 07 3366 7089 or by mail at CCC Secretariat, 59 St Johns Ave, Ashgrove, Brisbane, 4060.



See what you've been missing

Victorian draft bill a benchmark

from page 1

They have assessed its content according to whether, for general purposes:

- ~ It functions well for all co-ops, is 'type specific' where it needs to be, or functions inadequately on either or both counts,
- ~ it is relevant to the contemporary economic, social and commercial environment and relationships,
- ~ it facilitates cooperative action, doesn't restrict it,
- ~ it is in plain English and can be read by the lay person,
- ~ it is fair, and
- ~ it gives complete coverage to all matters related to cooperatives under one Act.

The group also assessed the draft with regard to its workability and applicability for community-based cooperatives.

A detailed response based on these criteria has been forwarded to the CFQ.

The group have stated that the points as they apply to the Victorian legislation apply equally to any drafting of new Queensland legislation.

Further, regarding drafting of new Queensland legislation they have stated that they feel:

- ~ The Queensland Government should ensure a proper process for consultation and participation by stakeholders and interested parties in the framing and drafting of new legislation,
- ~ there should be sufficient time allowed

for consultation and public debate of proposed legislation, unlike the 1967 Act, ~ there should be formal interest representation that adequately covers the types of cooperatives, be that organised by the Government or the Federation, and ~ deficiencies in the existing Queensland legislative base should be addressed along with legislative precedents from other states.

The group have noted that it is an excellent feature of the draft Victorian legislation that it has the cooperative principles fully stated in the Act.

One of the best features of the draft according to the working group is the 'trading' and 'non-trading' cooperative types.

They have welcomed the inclusion of the 'non-trading' bodies as opening the movement to a wider range of groups and societies who currently register under non-profit association laws but practice cooperative principles.

The CFQ have taken these comments on board. The Federation is busy coordinating its own response and following up with the Queensland Government.

They have pointed out that new legislation needs to be effectively coordinated nationally to achieve legislative consistency and because the Commonwealth is needed to roll back certain provisions of the Corporations Law as they may apply to co-ops.



6th annual Secretariat report

CCC's cooperative development agenda taking shape

Edited from a speech by Anthony Esposito, reporting on the last year of the council

There are two ways to look at the year. One is in terms of the focus of action we set up with the council, which was the bones of last year's report, the other is the strategic issues.

It's good to report in terms of a number of these things that they have really proceeded neatly in the year. At this point last year we said "well, this marks the point where we have actually consolidated our understanding about ourselves as a group and the constitution, the mechanics of the council, and there's a high trust level. We can proceed from here and it's all about agenda building and programme building and contacts".

The things that were bedded down at the time were the objects and membership. Now I think the membership is clear and the structure is very suitable, very desirable, very good.

I said earlier that the structure is complicated. I think I was effected by the debate leading up to the point we have arrived at because it isn't a very complicated notion, it's a fair notion. During the year we said "now that we've got that sorted out we'll start inviting people into the group, either as new members or associates and we'll do that in a very organic and evolutionary way, with sensitivity to and a preservation of the trust issues".

So that's all in order and the objects, well they've stood the test of time - as much as six years is a test of time - and I think we're gaining recognition for those particular objectives. The education weekend was a big affirmation, from my per-

spective, with people coming along who weren't part of our local community, saying this is a really good thing: what you're doing here speaks volumes about co-ops and cooperative development.

Now we have a really viable association. The title of last year's report, *Crafting An Independent Association*, gives the idea. We actually did craft something very carefully, very thoughtfully, and we have created an independent association of some worth that we can build upon.

The guts of it, I think, are the democratic forums. That's six general meetings a year. The last one was the 35th meeting, and we're at our sixth annual. I think that kind of continuity of process and the intellectual development that goes with that is quite significant.

The other main feature is the cooperative education work. It's a central theme and always has been for the council. As we know the origins of it, its formation, actually occurred at an education weekend. In a sense the process to arrive at that was independent, or parallel to the education processes. But the council as a result was, in a sense, mandated to assume responsibility for the education weekends as well as develop a whole range of other facets to its agenda.

On cooperative education we did a serious review through the year, at the initiation of Christine Zangari, and the whole process of surveying and development and the last education weekend was a testament to the work that was done in consolidating the position of the education weekends within our co-op community, as well as opening up the agenda to other possible



educational processes. Today's meeting providing a guest speaker in an educational forum was a decided advance.

Our other main area is the cooperative community networking and communication. The networking side was facilitated by the changes to the membership structure and associate rules. We've looked to build relationships with the co-ops as a networking agency, to start to create the links that lay the ground work ultimately for the co-ops to cooperate between themselves. But also to have a group that can perform coordination and facilitation functions in an ongoing fashion for temporary issues, temporary alliances, that kind of thing.

The other dimension to that is the communication networking side and the communication papers. The papers took a quantum leap upwards in terms of the production format and the use made of them. They are seen as a networking and communication tool as much as simply

having an intellectual resource available to people.

We also looked through the year at the idea of developing a funding and project base. We dealt with the issue that the council is a non-incorporated association and has no intention of incorporating and had deliberately set its constitution to maintain an independent political viewpoint on cooperative issues. It therefore didn't want to interfere with the ability to move on that kind of agenda, or the pressures that come with the incorporation requirements of committees and financial accountability and that sort of thing.

But through cooperation and a common membership between the cooperative education strategy group and the council we decided to form a link between the two organisations. The strategy group had decided that it would incorporate for the purposes of its agenda under the title of Community Works. Both



Secretariat rule change

New rules accepted

The proposed changes to the constitution surrounding the operations of the secretariat and published in the May issue of Council Papers, were discussed and decided in the affirmative.

The resolution was moved by Paul Monsour, seconded by Kerry Petherbridge and carried unanimously.

Election of secretary

Continuity in secretary position

The position of secretary held by Anthony Esposito was declared vacant at the annual meeting.

Anthony was renominated. There were no other nominations for the position. Anthony Esposito was nominated by Paul Monsour and seconded by Rosanne Brown. The election of the Secretary was carried by unanimous endorsement.

96/97 active membership criteria.

Activity levels to increase gradually

The procedural issue of active membership criteria for 96/97 was addressed. The matter was resolved by a motion to maintain the same criteria for active membership for the 96/97 year and to commit the council to move towards raising the activity threshold for future years.

This was moved by Anthony Esposito, seconded by Rosanne Brown and carried unanimously.

New directions and issues

Youth and cooperative issues

There was a call for any new items to be added to the council agenda for 96/97. Yolie Entsch, a new council associate, asked if the CCC could address the issue of cooperatives and youth.

The council agreed to address youth and cooperatives to meet existing and future needs and is willing to provide people to cooperate with Yolie and innovative community projects in developing cooperative initiatives for youth.

The council resolved to include 'youth issues' on its 96/97 agenda.

Cooperative development agenda taking shape

from page 2

groups would effectively seek to develop a cooperative agreement whereby there would be mutual support between the organisations and if the council wanted to auspice or develop projects that required funding, Community Works would become the financial arm for the council.

Of course both groups have the capacity to work on autonomous agendas at the same time. So it is not a merger but simply a cooperative link between two organisational structures, which is an innovation in terms of cooperative development and meeting the values that we've clearly set out over some ten or more years of association.

The final thing, the big ticket items, its an umbrella item, is strategic issues in the regional community. The first meeting after the last annual meeting reaffirmed three issues on the agenda: legislative change, community capital and federation principles.

Those three have been worked through to varying degrees through the year and a fourth has been added in - that's the cooperative enterprise project.

Those four major items have all been documented through the council papers and there's a lot to report.

The legislation one is probably the major issue, it is the one that's occupied most of our thinking for many years in terms of strategic development issues. We had some breakthroughs in the previous year, and if they can be considered breakthroughs, then we've had some major advances this year.

The kind of positioning we've given the council has been very important in terms of the integrity of the group but it's also been a very valuable position in terms of negotiating our way into getting some good legislative results.

It's attracted attention. The council has basically come to the attention, without seeking it, of the Cooperative Federation of Queensland (CFQ), the NSW Registry, the Qld Registry to some extent - these sorts of things.

We are seen as a group that needs to be consulted with or at least known about in terms of what community co-ops may think or need out of legislation.

We've developed relationships, pretty much at a formal level, with the CFQ and its the best they've been, mainly because the CFQ have actually got something to offer.

They are important in legislative terms. They are enshrined in the Act, they are the official representative body of co-ops in

Queensland and they now have somebody working for them, Jim Howard, who is knowledgeable about co-op laws and who does seem to have a reasonable appreciation of the broad spectrum of cooperation and a commitment to the co-op values.

Jim is someone we can work with and the CFQ are willing to include us in their deliberations and they are willing to accept us as who we are and what we are.

The CFQ are pushing strongly for legislative change and everything happening in the country around legislation is moving things towards legislative change. It is just a question of how much time will it take before the new Act is introduced in Queensland.

We've been working to be ready to deal with that. Part of this is the networking that we're doing and building up an associative base with the cooperatives, and that's proceeding nicely at the moment and hopefully will continue to do so. Part is the connection to the CFQ and to the NSW Registry, which has state of the art legislation.

So, I can report that essentially the legislative picture in Queensland is looking more promising than it has since 1967, when the Act was first introduced.

Community capital we haven't tackled in much of a practical sense. We tried to do some modelling through the proposed University of Queensland food co-op and the Queensland University Credit Union.

There was some interest there and something is seeded which may sprout at some stage. Mostly what we did was to try and stimulate the debate through a series of articles which sketched out the terrain of community capital ideas.

The other one, federal principles, we haven't devoted a lot of attention to, other than to establish the links to the CFQ, recognising that they are a federation, and to try and deal through our network of the associative co-ops, giving a practical basis to the federation principle.

To actually get some ideas up on the agenda, things for people to think about, there is a federal principles feature in the current council papers. Some of it is quite business oriented and there's one interesting section on trust as an essential principle of networking.

The fourth issue was enterprise cooperatives and its something I know that people in the council think it is very important to try and assist and see achieved.

New legislation would facilitate enterprise co-ops greatly. There's a great need for them. It's an area we have talked about for many years and one we need to focus on pretty seriously in the coming year.



CO-OP FILE

The **UNION CO-OPERATIVE** Society

... from a conversation with George Georges

The Union Cooperative Society was established in 1965. It started as a community type cooperative. It didn't have any common bond as such, its bond was that you had to be a financial member of a trade union or an employee organisation that could become affiliated with the ALP.

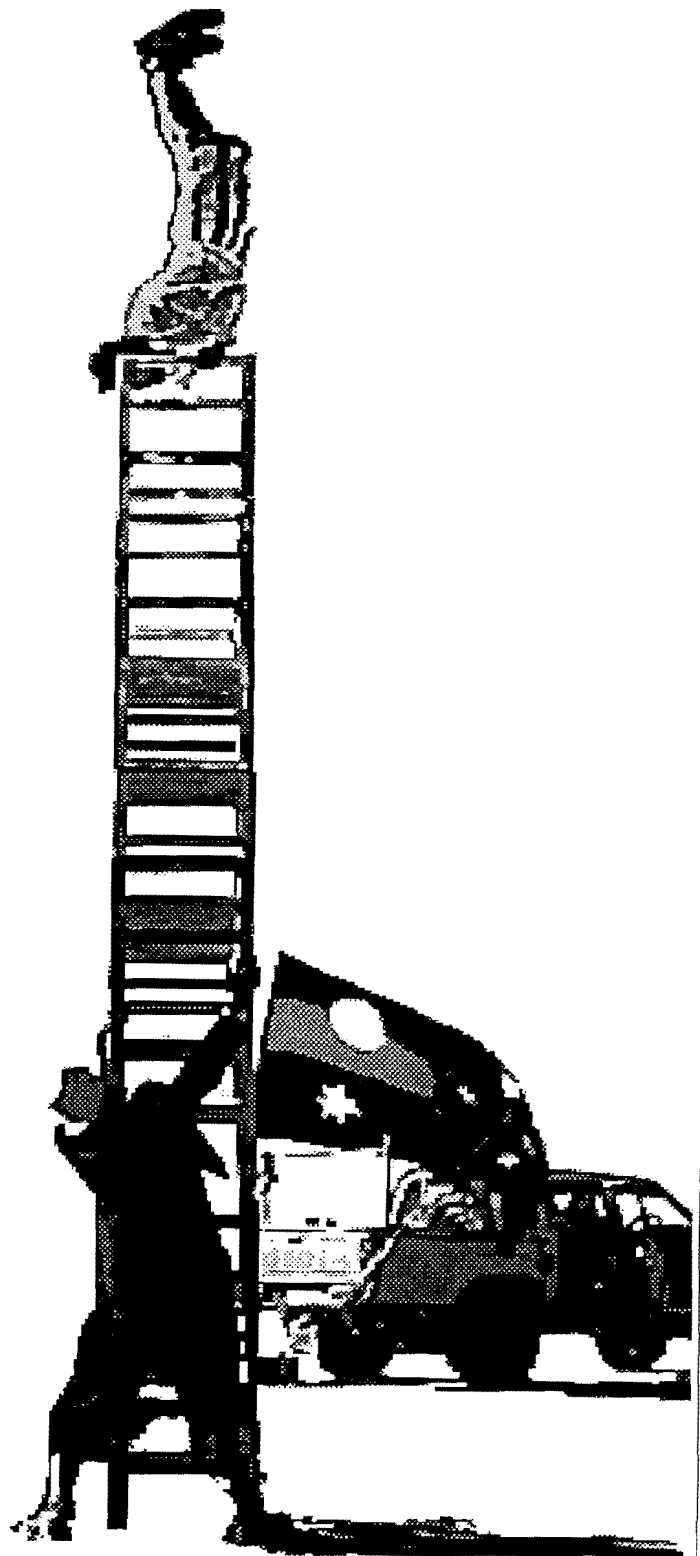
It has acted to protect the interests of workers and members of the labour movement. Its very first member was Tom Burns, well know Australian Labor Party parliamentarian, recently retired.

The cooperative began in a small butcher shop in Kelvin Grove. You could never hurt yourself there as it was so small you could never fall over.

There was such enthusiasm that it moved to a bigger space on Lutwyche Rd and eventually bought the site of a Woolworths supermarket in Paddington, its current address.

For some time the Union Co-op acted as a retailer, and in time grew into a cooperative finance organisation which astutely cares for member's financial interests.

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The **UNION CO-OPERATIVE** Society

It has concentrated its development in two areas; membership and consolidation of its capital base. With the membership the Co-op has worked from the belief that you must invite people in, you must communicate with them and you must give them things to do.

There is no point, George says, in inviting people to join if you can't offer them anything. You must be careful to avoid making commitments that you can't deliver.

Early on, the Co-op established a Provident Fund to provide for members finance needs during periods of unemployment and sickness. Cents a week were paid in by members and this would help to cover house mortgage costs if a member fell upon hard times.

The point has now been reached where the Co-op is in a position to finance, similar to the central organisation of the Basque cooperatives. And that seems to be what the Co-op's role has developed as.

George said, "We found that not having payroll deductions and having people who didn't have a razoo to save it just wasn't there. They had a need which we provided by giving them cheap groceries and cheap services but that just didn't give us the volume, so we became traders and not lenders in a big way".

The co-op grew in numbers and now a lot of deposits come from unions and associates and that is where it tipped over into the co-op being able to become financiers, the lenders and seeders.

"We've got some large depositors who are individuals. As I was saying the other day, look at our large depositors, they're all getting old, including me. Well you know, we keel over and it all goes to our estate. So its better to have one hundred and fifty people with a \$1,000 then to have one person with \$150,000".

In terms of succession, it is a big thing within in any family, within any community, that younger people are coming on

to take over the reins. In terms of the central organisation there are younger people coming through to take over. These are people who were kids when the Co-op started and remember coming and shopping and hearing the political arguments.

"The only problem is I haven't got the society to build into their costs the privileges I've obtained from elsewhere, especially when I was a senator. I still have some of those and they haven't been built in so the loss of them is more than a loss of person. It's the cost of maintaining the network of societies.

"So that is a problem. Our key people are the key people who work in the office. The person we now call the manager is spot on.

"If you choose your staff correctly they know and start to absorb the philosophy of the society and they maintain the effort and they hold the thing together. Nothing will go past them that is to the disadvantage of the society.

"No penny will not be balanced (though its got to the stage now you don't worry about chasing pennies, it costs too much they say, so you just discard them).

"They are people who have developed through the society so they become the society so there's no problem in replacement.

"But there's always a need for a person that's a bully around. You've got to have someone who's prepared to make the hard day to day decisions."

The Co-op has funded at least three workers clubs. One in Marinban, one in Collinsville and one in Paddington at the Union Co-op premises.

The Paddington Workers Club is developed as a separate entity so it leases from the Co-op. A loan agreement was reached which gives the Club the funds to continue on.

George said: "We make certain that we tie it up in such a way that we can't lose and they can't lose".

Paddington Workers Club

At last there's a social club in Brisbane built by and for people who have worked towards promoting the ideals of social justice and the labor and union movements.

It's a venue where like-minded people can meet, chat and enjoy themselves in a relaxed social atmosphere.

There's a well stocked bar, full catering facilities, a stage, seminar and meeting rooms. A busy programme of entertainment keeps the place hopping.

And there's plenty of politics available, like the *Politics at the Paddo Workers Club* events.

The Club is conveniently located in inner-Brisbane's Paddington, off Given Tce at the intersection with Latrobe Tce. There's safe parking on site and it's close to public transport.

A cooperative venture

On joining the Paddington Workers Club full members will also join the Union Cooperative Society, which is the Club's principle sponsor.

Contact:

**The Union Cooperative Society Ltd
2 Latrobe Tce, Paddington, 4064
Phone 07 3369 3407**



Cooperation news

Credit unions and local government Creditcare

Neale Maynard, writing for the Courier Mail, has reported that "after losing their TAB and having their rail service downgraded, the residents of the town of Eidsvold learned their only bank was also going".

The North Burnett community of Eidsvold, 440km north-west of Brisbane, lost its National Bank after 63 years in the town. The nearest bank is at Mundabbera, 35km south and the next at Monto, 75km north.

Maynard reports that "the Eidsvold Shire Council decided it would try to buck the trend affecting many rural communities and convince another financial institution to move into the town of 580".

"They did so with the help of a group called CreditCare - and with surprising speed the council became the new Eidsvold sub-branch for the Queensland Teachers Credit Union", he said.

There are a number of such alliances of financial institution and local government around Queensland, where "building societies or credit unions have moved in after banks have moved out".

Maynard mentions Tambo, where a north Queensland building society moved in after the National Australia bank left town, and Mirium Vale, "where another building society replaced a bank as the town's sole financial institution".

Brian Torpy, Eidsvold council senior administration and finance officer said that when the NAB advised of its intention to close the council contacted a few other financial institutions without success.

"We also got in touch with the Local Government Association of Queensland. They told us about CreditCare - we contacted them and they came up to see us", he told Maynard.

Source: Courier Mail, 22/8/96 p3.

Student co-op celebrates 20 years

The Griffith Uni Food Co-op is celebrating 20 years of cooperation and community.

The members will be holding a Food Co-op Festival. Wednesday the 28th of August will feature an Ethical Market Day including lots of stalls selling sustainable wares, a co-op food stall, a band and circus performers.

On Friday the 30th of August the Co-op will be holding a Forkless Feast. The feast starts at 6pm. There will be an abundance of delicious vegan food and homebrew and organic wine. There will be entertainment

throughout the night featuring bands and boogying. Tickets for the feast are available from the Co-op. It will be held at the Nathan Campus beneath lantern-lit trees behind the Co-op.

The cost is \$5.00 for Griffith Uni Co-op members and the same will be charged for members of other co-ops as a goodwill gesture. The cost for non-members, including a Co-op membership subscription, is \$8.00.

You can contact the Co-op for more information on 07 3875 7603

Maleny co-ops' brochure launch

The Maleny and Districts Community Credit Union chose to mark International Cooperatives Day 1996 with the launch of an information brochure on the cooperatives in the town of Maleny.

The brochure introduces the fourteen 'new wave' cooperatives based in the town. Its production was sponsored by the Credit Union.

It gives a summary of each co-op including contact details, a brief history of co-ops in Maleny, and a statement of commitment to cooperative education and training.

The brochure was funded from the Cooperative Education Fund set up by the Credit Union.

The brochure was launched by Dr Jan Tilden, a long time cooperator and resident of Maleny at a lunch celebrating international cooperatives day.

Speeches were also given by Elaine Green of the Credit Union and Anthony Esposito of the Cooperative Community Council.

Other news

Australian credit unions' half century

The 3rd of September 1996 is the 50th anniversary of credit unions in Australia. The day will see the launch of a new book on credit union history by Dr Gary Lewis.

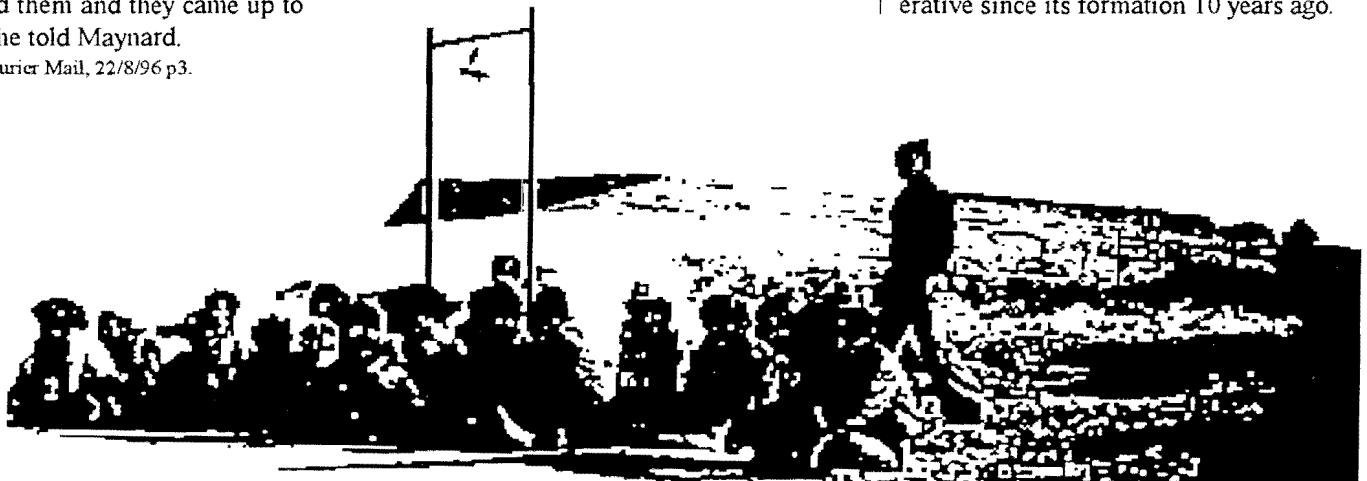
Meet the challenge - taking youth affairs into the 21st century

The 1996 Queensland Youth Affairs Conference will be held in Brisbane on the 4th to the 6th of September. The conference aims to encourage partnerships between young people and those who work with young people in developing creative and innovative responses to issues affecting young people in Queensland.

Contact: Ph. 0419 736 004 or 1800 177 899 (non-metro).

Good Foods Co-op moves

Good Foods cooperative, a landmark 'new wave' co-op in Brisbane, has moved to new premises. It is now at 91 Musgrave Rd, Red Hill. This is a major new era for the cooperative since its formation 10 years ago.





Co-operatives &



"In terms of global communications we now contemplate a leap into the future. This is likely to be as great as the changes brought about by the development of printing, the internal combustion engine and powered flight. But it will take place over a much shorter timescale. We will all need a new kind of literacy - network literacy".

Superhighway for Education, a consultative paper on broadband communications. HMSO (United Kingdom)

Source: Review of International Cooperation 89/1, 96

The information superhighway: opportunities for co-ops

How can the electronic network help co-operatives around the world deal with some of their major problems? Bruce Thordarson explains a little bit about what is happening today, especially at the global level.

Anyone who has had much association with co-operatives knows that they have a major strength - their decentralised structure - as well as one major weakness - their decentralised structure. Much of the history of cooperative development around the world has centred on the quest to maximise the strengths of this unique characteristics, while minimising its weaknesses.

Nowhere is this weakness more apparent than in the field of information. Even among otherwise well-informed opinion-makers, politicians, journalists, and so on, the lack of understanding about the cooperative form of enterprise is almost frightening.

In business schools, learned journals, and economic text books, there is an equal dearth of solid information about co-

operative values, principles, and operating practices.

In the mass media, how often does one hear about co-operatives other than when one has gone bankrupt - as if this does not happen to partnerships, joint stock companies, and other forms of investor-owned business every day.

This information gap is even more striking when one compares it with the true picture of cooperative business today.

At the global level, more than 700 million people are in co-operatives which are affiliated with the International cooperative Alliance - and to this must be added many million members of informal, unstructured, or unaffiliated organisations.

Cooperatives are market leaders in agriculture and personal finance in many countries. Around the world they occupy

important market shares in five major sectors; agricultural production and processing, banking and insurance, worker-owned production, and service provision.

As co-operatives look ahead to the next century, this gap between reality and public perception must be one of their major concerns and challenges. How to better inform decision-makers, media, researchers - and above all, young people - about the true nature and strength of cooperative enterprise?

The ICA is convinced that one of the most promising directions for the future is the information superhighway. On the one hand, it builds upon a traditional cooperative strength: a non-hierarchical, bottom-up structure.

On the other hand, it helps to compensate for a major cooperative weakness: its decentralised, diversified structure, which makes information collection and information distribution both expensive and difficult.

We all can have different ideas

about how dominant the role of electronic networking will become in the years ahead. Whether or not the phenomenal growth rates of Internet connection of recent years will continue remains to be seen.

But there can be little doubt that the electronic network will be a growing and highly significant source of information in the future. Cooperatives will ignore it at their peril.

Electronic networking project

The ICA's head office in Geneva began researching electronic network possibilities over two years ago, and implemented a strategy based on this research in April 1994. It was based on two elements: internal communications and external information.

The first challenge, still far from being realised, is to make full use of the communications possibilities of the Internet within the ICA family. The 'family' includes the Head Office, four Regional Offices, a couple of Project Offices, fourteen Specialised Organisations and Committees in different parts of the world, development partners, and - of course - our more



the Internet @.

A virtual necessity

by Mary Treacy

The 21st century is fast approaching and one of the forces that will propel us there is the Internet.

The growth of the Net in recent years has been phenomenal, rising from less than 5,000 to approximately 35 million people in the past ten years.

Obviously the cooperative movement should not rest on its laurels when this new and relatively inexpensive means of communicating with the masses is now available to us.

Through the Internet we can reach a wider audience than ever possible before - the potential for spreading the cooperative message via this media is therefore enormous and, as most of the people using the Internet are young academic types, it would be an ideal way of reaching the young hearts and minds so necessary for the future development of our movement.

Electronic Mail or E-Mail

At the present time all ICA offices have the possibility of communicating by E-Mail, in addition to 25 of the ICA's member organisations, and its specialised bodies for Agriculture, Energy, Tourism, Insurance, Research, Communications and Human Resource Development.

In addition ICA receives electronic correspondence from numerous researchers and students of Cooperation world-wide as well as members of the general public, international organisations and media people.

Newsgroups, Listservers and FAQs

Newsgroups are electronic notice boards where messages can be posted for those interested to access.

There are several newsgroups for ongoing discussion of co-op issues and exchange of experience.

For example, alt.co-ops is a newsgroup which provides information about democratically run businesses including worker co-ops, consumer co-ops, communities and communes.

Listservers are mailing lists made up of people with similar interests. If you post a message to the list, it is sent via E-mail to all subscribers to the list.

The Cooperative-bus listserver, which is moderated by the University of Wisconsin Centre for Cooperatives, has been established to facilitate discussion about the cooperative form of business in solving people's economic and social needs.

Topics of interest include cooperative business, cooperative development, strategic planning, capital formation, membership, and cooperative governance et cetera.

This list already has 236 subscribers, mainly from universities in the USA and Canada but also from educational establishments in Europe and Asia and the Pacific, international organisations such as Food and Agricultural Organisations of the UN (FAO), non-governmental organisations, non-profit organisations, cooperatives, cooperative federations and government departments.

Since its inception over 800 messages have been exchanged which have been archived by the University of Colorado. Information on how to subscribe to the mailing list and access the archive is available on the ICA Web Pages.

There are several other such services available which are of interest to cooperators includ-



ing the Credit Union Talk Listserver, the Coalition for Cooperative Community Economics Listserver and a Discussion Group on Enterprise Development in Developing Countries.

The National Students Cooperative Association (NASCO) has also recently opened a listserver on co-op issues.

There are also a number of FAQs (Frequently asked Questions - and their answers) available on-line including a FAQ on Worker Co-ops compiled by the Ontario Worker Cooperative Federation (Canada) and one on Credit Unions made available by Credit Union National Association (CUNA) of the USA.

All of the services mentioned here and much more can be accessed via the ICA Web Site at <http://www.coop.org>

Gopher Server

The University of Wisconsin Centre for Cooperatives and the ICA have set up a Cooperative Gopher server.

The ICA/UWCC Gopher Site houses a variety of text-only files on a range of cooperative issues from the history of the movement to topical subjects and information on a number of cooperative organisations,

projects and activities world-wide.

The gopher server is available to everyone with full Internet access as well as to organisations who do not have browser software. The address is: <gopher://wiscinfo.wisc.edu:7011/info-source/coop>

World Wide Web

A number of cooperative organisations, including the ICA, have recently set up Web Sites and the information base is constantly growing.

The ICA Web Site aims to give a single logical point of entry into the ICA information environment and also endeavours to provide a uniform mechanism for identifying and accessing sources of cooperative information world-wide.

The Web Pages incorporate links to the ICA/UWCC gopher and other related sites and pages of interest.

The information is divided in the following manner:

Cooperative information

- ~ Information on the ICA and its Specialised Bodies (sectoral committees),
- ~ Cooperatives definition / history / general information,
- ~ Cooperative information by economic sector,

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Co-operatives & the Internet @.

The information superhighway: opportunities

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than two member organisations.

One area about which the ICA is quite concerned is to ensure that this new information technology does not broaden the disparity between developing countries and the rest of the world.

The ICA has gone to considerable efforts to ensure that our Regional Offices in India, Tanzania, Cote d'Ivoire, and Costa Rica can access and contribute to our on-line activities.

The ICA has also developed a strategy which is backwards compatible to ensure that ICA members in countries which do not have access to high-bandwidth Internet lines can contribute to and benefit from the project.

ICA has also become a founding member of the first European chapter of the Internet Society, and will take part in its special working group on development, which is designed to facilitate the transfer of technology to the developing world.

The second part of the programme is designed to put cooperative information into the Internet, free of charge, in order to improve understanding about cooperatives.

ICA began establishing the co-op presence on the Internet in four stages in collaboration with the University of Wisconsin:

- ~ input of cooperatives material into existing discussion groups;
- ~ setting up a Listserver where information and messages can be posted on certain topics;
- ~ establishment of a Gopher; and
- ~ creation of World Wide Web pages - probably the best structured information in a usable manner.

All of the above objectives have now been achieved but much work needs to be done building up these information tools and promoting them to members and the world at large.

Implications for cooperatives

Co-ops usually want to know about the potential of the Internet for promoting trade and other forms of commercial activity.

On the one hand, one can assume that any technique which facilitates improved communications is bound to be good for business. On the other hand, although the

Internet is a global phenomenon, the bulk of cybertrade has remained within national borders.

Problems of security of information and the lack of global agreements regarding international payments, liability and taxation have not been resolved, even though experts are working to resolve them and guarantee reliability of service (i.e. that Web sites can be accessed around the clock) which is not yet possible.

Coming back to the strengths and weak-

nesses of cooperatives - the biggest challenge in this area, as in others, will be to ensure that cooperative participation in the network is organised in a coherent, compatible, mutually-beneficial manner.

In other words, to ensure that each national movement, or even sector, does not develop programmes and approaches which are incompatible or even competitive.

Standardisation and information sharing are techniques which support compatibility. Cooperatives should certainly be encouraged to start their own on-line data banks, gophers, or Web pages, but it would be good if the global programme, being coordinated by ICA, could at least be informed when something is started.

This would enable the ICA to arrive at a mutually-beneficial agreement to allow a

gateway from a new gopher site to the ICA gopher, and vice-versa.

For those with a special interest in this area, the ICA is pleased to make available copies of the ICA Gopher Plan so that you can see the various directories that are now being developed.

With some common effort and information sharing, the new electronic technology could help cooperatives to overcome one of their major traditional weaknesses, and to continue their progress towards meeting more and more member needs in the future.

Bruce Thordarson is Director-General of the International Cooperative Alliance.

This article is an edited version of a paper in ICA - Review of International Cooperation, Vol 89, No.1, 1996.

A virtual necessity

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- ~ Cooperative issues,
- ~ Cooperative events,
- ~ Publications on cooperation,
- ~ Cooperatives and the Internet (includes info on how to create web pages et cetera),
- ~ Newsgroups, Conferences and FAQs on Co-ops.

Non-Cooperative Information

- ~ International organisations on the Web,
- ~ Useful business information sites.

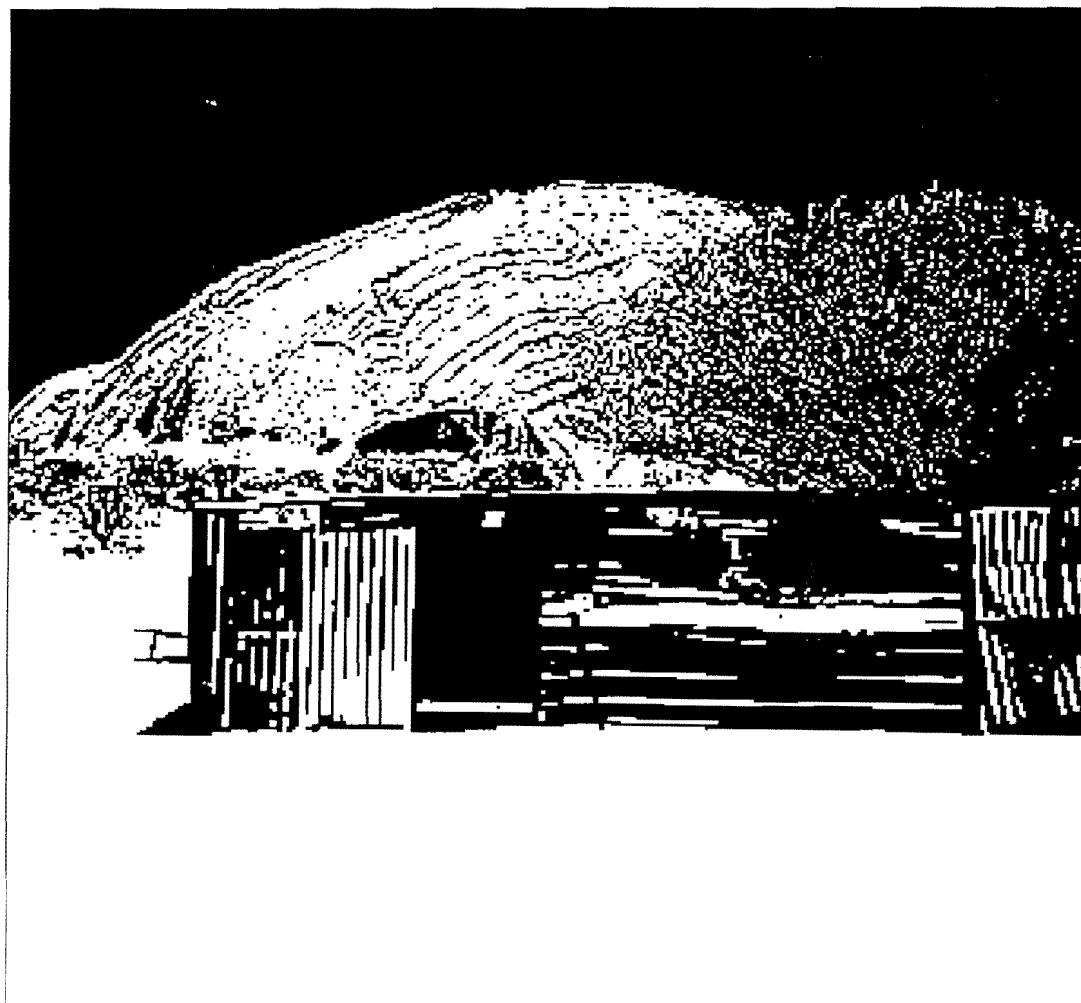
There is also a special entry point into the Cooperative Gopher and the University of Wisconsin Centre for Cooperatives Web Site.

The current pages were partially funded by the New South Wales Registry of Cooperatives who expect the ICA Electronic Project will improve communications and provide further access to resources on co-ops in their region as well as increasing contacts with co-op organisations world-wide.

Mary Treacy is the Communications Officer for the International Cooperative Alliance.

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Reviews



Cooperation, conflict and consensus:

B.C. Central and the Credit Union Movement to 1994

by Ian McPherson, B.C. Central Credit Union, Vancouver, Canada, 1995, 291pp

While Ian McPherson was helping ICA revise the Cooperative Principles, and still managing to earn a living at the University of Victoria, he was also writing the 60-year history of the amazingly successful financial cooperatives of Canada's western-most province.

British Columbia's credit unions have grown through three distinct stages. In their early days, they were often the only provider of basic financial services for working people in small communities. Later they developed in the large urban areas by

meeting another need: easily-available mortgage loans for house purchases, which became the basis of their rapid growth.

Today, with one-third of the active population as members, they are successfully competing as full-service financial institutions with the largest of the commercial banks.

As Ian McPherson demonstrates, innovation has been one of the reasons for this success. VanCity, the province's largest credit union with 207,000 members and \$3.6 billion in assets, is renowned for having invented new products such as daily interest savings accounts, open-ended mortgages, and ethical mutual funds far in advance of competitors.

But the progress was not always smooth. The growth of credit unions' second tier organisation, B.C. Central, was accompanied by frequent disputes, especially with its largest members, over issues of local autonomy versus the need for centralised services.

While some leaders saw credit unions as a means for broader cooperative and community development, others regarded such concerns as irrelevant, even dangerous, for growing financial institutions.

Although B.C. credit union leaders (including the author himself) played an important role in building national and international financial cooperative structures, their efforts were

not always appreciated at home.

The universality of these themes will make this book of interest and relevance to cooperators in other countries and other sectors. In the final analysis, the B.C. struggles were resolved with partial victories and compromises on all sides.

B.C. Central is today a strong organisation, with wide support, but no longer active in the kind of commercial loans and property development which its larger members prefer to undertake directly.

The large credit unions, for the most part, have seen the logic of participating in joint advertising and electronic payment programmes on a system-wide basis.

One of Ian McPherson's central themes is that many problems associated with the rapid growth of the 1970's could have been avoided if greater attention had been given to education and training of board members.

The need to upgrade skills of credit union employees diverted attention from the equally important task of preparing board members to monitor and control the actions of their aggressive and entrepreneurial chief executives.

As befits the author of the ICA's "Cooperative principles for the 21st Century", Ian McPherson concludes with two recommendations for future credit union growth - building better bonds with the members, and focusing on community interests.

These two areas of cooperative strength and uniqueness are, for him and many others, the key to the success of cooperative entrepreneurship in the years ahead.

Bruce Thordarson: Review of International Cooperation 89/1



Reviews

Cooperative ways of working

Edited by Godfrey Baldacchino, Saviour Rizzo, Edward L. Zammit. Workers Participation Development Centre, University of Malta, 1994, 204 pp.

The book brings together the papers presented during two seminars on the subject of the viability of worker cooperatives which took place in Malta in June 1993 and September 1994.

The volume is divided into three sections: cooperative principles, national experiences of cooperation and case studies on worker co-ops.

J. von Muralt, G. Ullrich and H. H. Muenkner have presented the progress of the cooperative sector and the International Labour Organisation contribution to its development.

In their respective papers, Chris Conforth and Mary Mellor brilliantly analyse the present position of the workers move-

ment in the UK. There were 1,400 societies in 1988 but the number is decreasing.

The socio-economic conditions prevalent in today's Britain, financial discrimination by banks and a certain lack of motivation are among major obstacles to development.

Workers co-ops are mostly small businesses operating in market niches or sub-contractors to large societies.

The government, which was very supportive to cooperatives by the end of the 70's, gradually withdrew its funding during the 80's.

Both authors agree that a social and political framework supportive of the idea of cooperation should be created to foster the sector's achievements.

The country studies from Cyprus, Greece, Italy, Malta and Spain bring a wealth of information on the history and recent developments in the work-

er's sector. The authors analyse the legislative and socio-economic conditions including the latest statistics.

Two of the three case studies are descriptions of fortuitous encounters which two men had in the 1950's with a similar idea, encounters, which, decades after the initial shock, are still producing beneficial influence over concerned communities.

The men, Ernest Bader in the first case and Don Jose Maria Arizmendarrieta in the second, did not have many things in common except a profound belief that people should control their lives by controlling the work situation.

And they both believed that the cooperative way of doing this was the best.

Scott Bader Commonwealth and ULGOR-Mondragon were set up in 1951 and 1956 respectively. Both enterprises were

guided since the very beginning by 'founding fathers' who, even without formal appointment, exercised influence over the companies' decisions.

Since that first epoch, both passed the stage of social experiment to become highly successful, economically viable companies.

Will it be possible, therefore, to institutionalise the model? Both reports emphasise the uniqueness of the initial settings. Besides the 'spiritus movens', be it a catholic priest or an enlightened entrepreneur, the members should be at ease with the economic democracy and accept that they may not agree individually with all decisions taken collectively. Having agreed to that, in counterpart, they will share the wonderful sense of belonging.

Alina Pawlowska : Review of
International Cooperation 89/1